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IN THE

Supreme Court of the United States

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No. 746

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SUPREME COURT, U.S.

HUGH W. SANFORD, *Petitioner*

v.

ROBERT C. KEPNER, *Respondent*

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT, AND BRIEF

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PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

To the Honorable The Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Your Petitioner, Hugh W. Sanford, respectfully prays for a writ of certiorari to the United States Court of Appeals for the Third Circuit to review a Judgment of that Court.

A transcript of the record below, including the proceedings in the Court of Appeals, so far as applicable to the question herein presented, is furnished herewith in accordance with the rules of this Court.

Summary and Short Statement of the Matter Involved

This action was instituted by the Petitioner in the United States District Court for the Middle District of Pennsylvania to obtain a judgment authorizing the Commissioner of Patents to issue a patent to the Petitioner on an invention, of which the Board of Interference Examiners in the Patent Office had awarded priority of invention to the Respondent, denying the Petitioner's right to a patent thereto.

In his complaint, Petitioner alleged jurisdiction under R. S. Sec. 4915 (35 U. S. Code, Sec. 63).

The complaint not only raised the issue of priority of invention for decision by the Court, but also the issue of patentability of the subject matter defined in the claims which were involved in the Interference proceeding in the Patent Office and averred that the patent claims were unpatentable over certain prior patents issued to Petitioner and others, as set forth in the complaint.

The District Court held that Petitioner had failed to sustain the heavy burden imposed by rule of this Court in *Morgan v. Daniels*, 153 U. S. 120, 125, of establishing "that the decision of the Board of Interference Examiners is incorrect." (S. R. 17).[1]

The Court entered a further finding that the issue of patentability need not be considered:

> "In other words, the Court took its position with the line of cases that holds that in a 4915 action patentability need not be considered where the claimed priority is not established." (S. R. 9)

On appeal, this judgment was affirmed on March 24, 1952, by the Court of Appeals for the Third Circuit. (K. R. 122).

The Court of Appeals for the Sixth Circuit has previously held that the issue of patentability should not be decided unless and until the plaintiff has established priority of invention. *Heston v. Kuhlke*, 179 F. 2d 222; *Cleveland Trust Co. v. Berry*, 99 F. 2d 517. No other Circuit has previously followed this rule of the Sixth Circuit, which was adopted in this case by the Third Circuit.

The Court of Appeals for the Seventh Circuit has declared unequivocally that the patentability of the invention disclosed is the first issue that should be decided by the Court in a suit under Section 4915 R. S. and should be decided without regard to the question of priority. *Minneapolis Honeywell Reg. Co. v. Milwaukee Gas Specialty Co.*, 174 F. 2d 203.

The Court of Appeals for the District of Columbia has also held unequivocally that the issue of patentability

[1] K. R., as used herein, refers to Kepner Record; S. R. refers to Sanford Record.

should be decided without regard to priority in a suit under Section 4915 R. S. *Knutson v. Gallsworthy*, 164 F. 2d 497.

The Court of Appeals for the Third Circuit in the above-entitled cause followed the rule of the Sixth Circuit rather than that of the Seventh Circuit and the District of Columbia, although noting but refusing to follow the latter. Thus the Third and Sixth Circuits have decided one way on this issue and the Seventh Circuit and the District of Columbia have decided directly contrary on the same issue and under the same circumstances.

This Court has not previously decided this precise issue, but is asked to resolve the conflict between the different circuits on the same question.

Question Presented

Should the District Court have decided the issue of patentability, in a suit under Sec. 4915, R. S., of the counts of the Interference, first and foremost, even though the issue of priority be decided in this suit, against the plaintiff?

Jurisdiction

The Statutory provision believed to sustain the jurisdiction of this Court is Title 28 U. S. Code, Section 1254.

Jurisdiction is also indicated by Rule 38, 5 (b) of this Court, as follows:

> "(b) Where a circuit court of appeals has rendered a decision in conflict with the decision of another circuit court of appeals on the same matter."

The date of the judgment which Petitioner seeks to have reviewed is March 24, 1952. The Mandate of the Court of Appeals has been stayed to May 8, 1952, and thereafter until decision of this Court on condition that the Petition and Record have been filed herein before that date.

Cases in which this court has granted certiorari to resolve conflict of opinion as between different circuits on the same question are:

Stelos Co. v. Hosiery Motor-Mend Corp., 295 U. S. 237, 238.

Universal Oil Products Co. v. Globe Oil & Refining Co., 322 U. S. 471, 472.

General Electric Co. v. Jewel Incandescent Lamp Co., 326 U. S. 242, 243.

Reasons Relied Upon for Allowance of the Writ

The Courts of Appeal in several different Circuits have decided directly contrary on the same issue of patentability raised in an interference suit under Section 4915 R. S., which conflict of opinion should be resolved.

This court held in *Hill v. Wooster*, 132 U. S. 693, that the court should determine the issue of patentability before authorizing the issuance of a patent, but that case is distinguished by the Court of Appeals by the determination therein of the issue of priority in favor of the plaintiff.

The language of this court in *Hoover Co. v. Coe*, 325 U. S. 79, referred to in Footnote 29 (p. 90 of 325 U. S.) makes clear that the Court was of the view that the issue of patentability should be decided first and foremost, but because the case referred to the earlier opinion in *Hill v. Wooster*, the Court of Appeals for the Third Circuit has refused to follow the plain import of the language of this Court therein.

This Court has many times indicated that the question of patentability is of public importance, and when the issue of patentability or validity is raised in a case, it should be decided by the court in the public interest, as noted for instance in *Sinclair & Carroll Co. Inc., v. Interchemical Corp.*, 325 U. S. 327, 330:

> "It has come to be recognized, however, that of the two questions, validity has the greater public importance."

Wherefore your Petitioner respectfully prays that a writ of certiorari be issued out of and under the seal of this Court, directed to the United States Court of Appeals

for the Third Circuit, commanding such Court to certify and send to this Court, on a day to be designated, a full transcript of the record and all proceedings of the Court of Appeals had in this action, to the end that this action may be reviewed and determined by this Court; that the judgment of the Court of Appeals be reversed; and that Petitioner be granted such other and further relief as may seem proper.

J. Preston Swecker,
Attorney for Petitioner

Washington, D. C.
April 29, 1952

BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI

The Opinions of the Courts Below

The opinion of the District Court is in the record at S. R. 8, and is reported at 99 F. Supp. 221, 90 USPQ 188. The opinion of the Court of Appeals for the Third Circuit is in the record at K. R. 122, and is reported at 194 F. (2d) ----, 93 USPQ 57.

Argument

The issue of patentability of the invention disclosed by the respective parties to an interference proceeding is the first issue that should be decided by the court in a suit under Section 4915 R. S.

The Court of Appeals for the Sixth Circuit has ruled unequivocally that it is unnecessary to decide the issue of patentability when raised unless the plaintiff has established priority of invention. *Heston v. Kuhlke*, 179 F. 2d 222; *Cleveland Trust Co. v. Berry*, 99 F. 2d 517.

The finding of the Court of Appeals for the Third Circuit was said to be based on a decision of this court in *Hill v. Wooster*, 132 U. S. 693, 698, in which this Court stated:

"It necessarily follows that no adjudication can be made in favor of the applicant, unless the alleged invention for which a patent is sought is a patentable invention. The litigation between the parties on this bill cannot be concluded by solely determining an issue as to which of them in fact first made a cabinet creamery. A determination of that issue alone, in favor of the applicant, carrying with it, as it does, authority to the Commissioner to issue a patent to him for the claims in interference, would necessarily give the sanction of the court to the patentability of the invention involved. * * * But neither the Circuit Court nor this court can overlook the question of patentability."

This Court did not state in *Hill v. Wooster* which issue should first be determined, but it did assert definitely that the issue of patentability should be decided in a suit under Section 4915 R. S. Such an adjudication of the issue of patentability was not made determinable only in the event that the plaintiff had first established priority of invention, but the Court held that it was a proper issue to be raised and not overlooked.

This Court has not decided this issue since *Hill* v. *Wooster*, and no case is found in this Court involving the issue of patentability without an adjudication of priority for the plaintiff. However, the issue was referred to by inference from the language of the court in *Hoover Co. v. Coe*, 325 U. S. 79. The opinion by Justice Roberts repeated the language from *Hill v. Wooster*, again without the qualification imposed upon it by the decisions in the Sixth Circuit, and stated that "if it appear that neither application disclosed invention," the bill should be dismissed. In a footnote to that portion of the opinion is the following:

"[20] Section 16 of the Act of 1836, 5 State. 123, *supra*, expressly provided that upon a bill filed as a result of Patent Office decision on an interference the court might adjudge either of the patents void in whole or in part. This language was evidently omitted in later acts as surplusage, for obviously if either patent was

void for lack of invention or other cause, the question of interference disappeared." (p. 90 of 325 U. S.)

The Court of Appeals for the Third Circuit disregarded the language of the Footnote by Justice Roberts, with the assertion that the

> "language suggests at most a privilege. certainly not a duty, of the District Court to pass upon patentability at the instance of an unsuccessful claimant of priority of invention."

It is submitted that the Court of Appeals has failed to give due consideration to the language of Justice Roberts in Footnote 29, and to the earlier decision of this court in *Hill v. Wooster*, where the court has made quite clear, it is submitted, that the District Court should pass upon patentability at the instance of a plaintiff without regard to the issue of priority, first and foremost.

The statute referred to in the Footnote provides specifically that the court may adjudicate either patent to be void without regard to the issue of priority. This language in the Footnote can hardly be interpreted any other way than to imply the same meaning to Section 4915 R. S., even though the same language was not used therein. The court should decide the issue of patentability first and foremost, without regard to the issue of priority, as suggested by Justice Roberts.

This is the interpretation placed upon that language by the Court of Appeals for the District of Columbia in *Knutson v. Gallsworthy*, 164 F. 2d 497; 74 USPQ 324, in a carefully prepared opinion by Justice Prettyman.

The opinion in *Knutson v. Gallsworthy* was based on appeals from decisions by the District Court denying to the plaintiff priority of invention as to all counts there involved, even that which had previously been decided in his favor by the Patent Office. The complainants were dismissed by the District Court on priority alone. This action was reversed by the Court of Appeals upon a careful and extensive review of the authorities on this question, including the decisions of this Court in *Hill v. Wooster* and *Hoover Co. v. Coe*. The Court of Appeals stated:

"* * * We go only so far as to say that patentability is a proper issue in a proceeding under Section 4915 and, if raised, must be decided, even though the Patent Office decision from the case arose was in an interference proceeding." (p. 501 of 164 F. 2d).

The Circuit Court of Appeals for the Seventh Circuit has taken precisely the same view of the statute and decision of this Court in *Hill v. Wooster* as the Court of Appeals for the District of Columbia, as announced in *Triplett et al v. Line Material Co.*, 133 F. 2d 533, 56 USPQ 398. There, without deciding the issue of priority in favor of the plaintiff, the District Court dismissed the complaint for lack of invention, which was affirmed by the Court of Appeals:

"* * * Defendant contends, and the District Court held, that it was the province of the court, under Hill v. Wooster, 132 U. S. 693, * * * to determine first of all whether the applications disclose patentable inventions. This, we think, is correct. * * * (p. 534 of 133 F. 2d).

* * * * *

"In view of the facts mentioned and further evidence in the record which we do not deem it essential to refer to, the District Court properly held the claims embraced in the two applications not patentable. In view of our conclusions, it is unnecessary to discuss the issue of priority or that of invalidating sales.

"The judgment is affirmed." (p. 536 of 133 F. 2d).

The Court of Appeals for the Third Circuit in this case did not attempt to distinguish those cases in the Seventh Circuit and the District of Columbia, but conceded a contrary decision, a conflict of opinion between the several circuits on this issue of deciding patentability at the instance of an unsuccessful plaintiff on the issue of priority:

"In the Seventh and District of Columbia Circuits, on the other hand, the Courts of Appeal have declared unequivocally that patentability of the invention dis-

closed is the first issue that should be decided by the court in a Section 4915 suit between parties to a prior interference proceeding."

The Court of Appeals referred thereto another decision in the Seventh Circuit in *Minneapolis Honeywell Regulator Co. v. Milwaukee Gas Specialty Co.*, 174 F. 2d 203, where the language of the court is to the same effect as noted above in *Triplett v. Line Material Co.*

In both of these cases in the Seventh Circuit, Justice Minton, then on the Court of Appeals for the Seventh Circuit, joined in the decisions.

This conflict of opinion between the several circuits on the same issue is a matter of great importance and should be resolved by this Court. It is submitted that the Court of Appeals has failed to give due consideration to the applicable language of the decisions of this Court, and that the correct rule is that applied by the Seventh Circuit and the District of Columbia, that the issue of patentability, when raised, must be decided first and foremost without reference to the issue of priority.

For the foregoing reasons, it is submitted that this Court should be moved to grant the *writ of certiorari* to the end that the fundamental question of patent law here involved may be settled by this Court, resolving the conflict of opinion as between different circuits on the same question, and that the judgment of the Court of Appeals for the Third Circuit be reversed.

Respectfully submitted,

J. PRESTON SWECKER,
Attorney for Petitioner.

Washington, D. C.
April 29, 1952